

Introduced by Senator AlarconFebruary 21, 2003

An act to add Section 1781 to the Labor Code, relating to prevailing wages.

LEGISLATIVE COUNSEL'S DIGEST

SB 966, as introduced, Alarcon. Public works and prevailing wages: contractor's costs.

Existing law generally requires the payment of the prevailing rate of per diem wages and the prevailing rate for holiday and overtime work to employees employed on public works projects that cost more than \$1,000. Existing law requires the Director of Industrial Relations to determine these wage rates and to provide these wage rates to an awarding body, as defined, that requests them. Existing state regulations authorize an interested party, as defined, to request that the director make a determination regarding the applicability of these provisions to a particular project.

This bill would authorize a contractor to bring an action in a court of competent jurisdiction to recover from an awarding body any increased costs, as defined, incurred by the contractor as a result of (1) any decision that classifies, after the time at which the awarding body accepts the contractor's bid, a project as a "public work," as provided, or (2) a change, after the time at which the awarding body accepts the contractor's bid, in the prevailing wage rate, as specified. For purposes of these provisions, this bill would define "increased costs" to include, but not be limited to, wages that are required to be paid to the contractor's workers and penalties for which the contractor is liable, as specified.



Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1781 is added to the Labor Code, to
2 read:

3 1781. (a) Notwithstanding any other provision of law, a
4 contractor may bring an action in a court of competent jurisdiction
5 to recover from an awarding body any increased costs incurred by
6 the contractor as a result of either of the following:

7 (1) Any decision that classifies, after the time at which the
8 awarding body accepts the contractor's bid, a project as a "public
9 work," as defined in Section 1720, to which Section 1771 applies.

10 (2) A change, after the time at which the awarding body accepts
11 the contractor's bid, in the general prevailing rate of per diem
12 wages for work of a similar character in the locality in which a
13 public work is performed or the general prevailing rate of per diem
14 wages for holiday and overtime work in the locality in which the
15 public work is performed that is required to be paid to workers
16 employed on that public work.

17 (b) For purposes of this section, "increased costs" includes,
18 but is not limited to:

19 (1) Wages that are required to be paid to the contractor's
20 workers as a result of the events described in paragraph (1) or (2)
21 of subdivision (a).

22 (2) Penalties for a violation of this article for which the
23 contractor is liable, and which violation is the result of the events
24 described in paragraph (1) or (2) of subdivision (a).

